

## OFFICIAL STATEMENT

STOCKTON UNIFIED SCHOOL DISTRICT  
STOCKTON, CALIFORNIA

\$4,500,000 PRINCIPAL AMOUNT

1973 School Bonds, Series B  
(General Obligations)INSTITUTE OF GOVERNMENTAL  
STUDIES

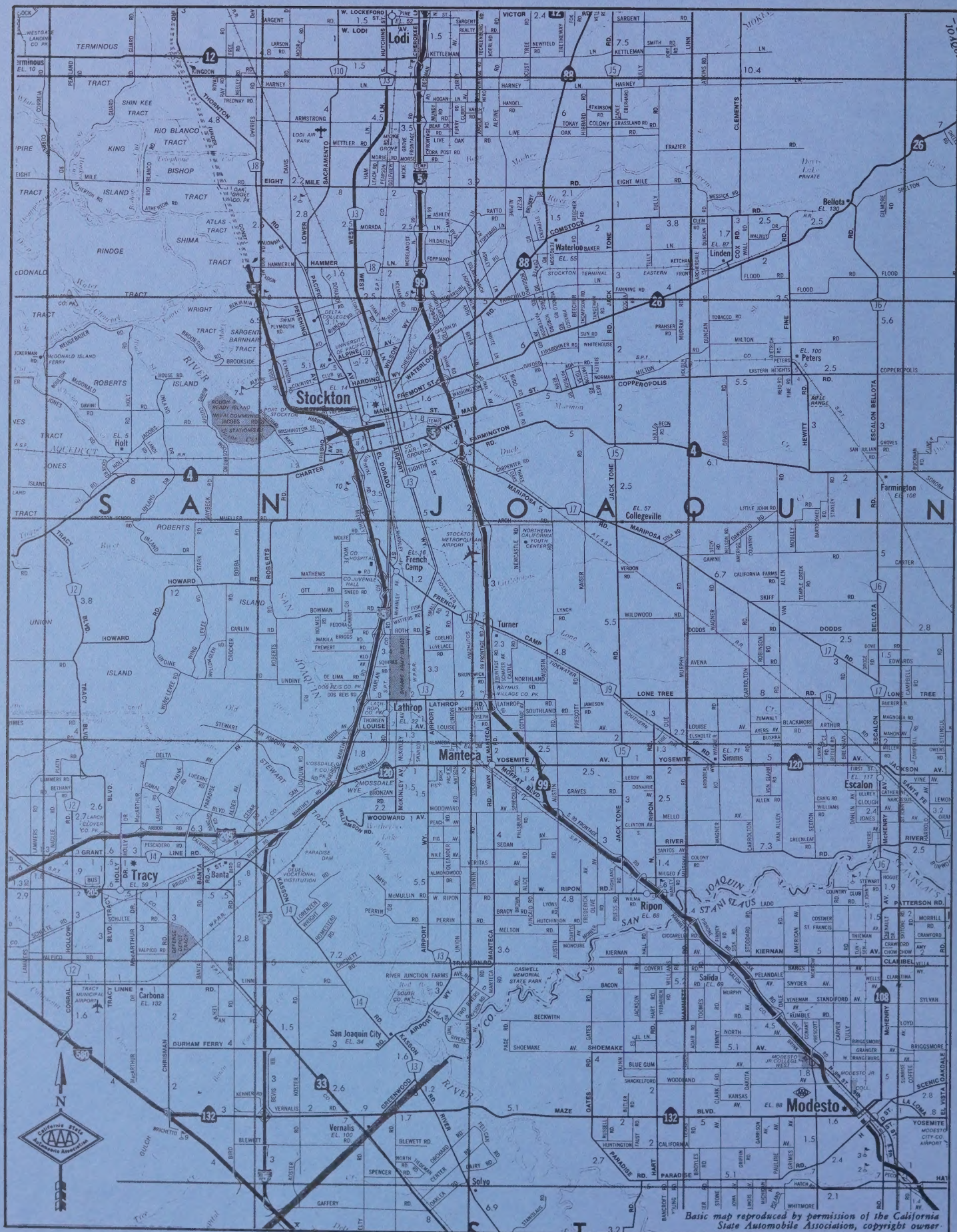
JUN 1 1976

UNIVERSITY OF CALIFORNIA

Bids to be received at the office of the County Clerk and ex-officio Clerk of the Board of Supervisors of San Joaquin County, Courthouse, Stockton, California at 11:00 A.M. Tuesday, June 15, 1976.

*Calif.  
School administration Stockton  
" architecture "  
Public debt Municipal Stockton  
Investments Public securities*





The Stockton Unified School District serves a 50 square mile area including a large portion of the City of Stockton.



76 01484

STOCKTON UNIFIED SCHOOL DISTRICT  
San Joaquin County, California

BOARD OF EDUCATION

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Betty Payne, Vice President  
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Planning, Research and Business

Gerald O. Zedlitz  
Director,  
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Charles T. Thompson, Deputy County Counsel  
Paul G. Heurlin, Auditor-Controller  
Robert Schellenberger, Assessor  
John A. Prowse, Treasurer-Tax Collector

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PROFESSIONAL SERVICES

Orrick, Herrington, Rowley & Sutcliffe, San Francisco  
Bond Counsel

Stone & Youngberg Municipal Financing Consultants, Inc.  
San Francisco and Los Angeles  
Financing Consultants

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THE DATE OF THIS OFFICIAL STATEMENT IS MAY 25, 1976

## TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on, and buyers of, \$4,500,000 principal amount of the 1973 School Bonds, Series B, proposed to be issued by the Stockton Unified School District.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to Stockton Unified School District (which firm will receive compensation from the District contingent upon the sale and delivery of the Bonds).

This Official Statement is not to be construed as a contract with the purchasers of the 1973 School Bonds, Series B. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

The members of the Board of Education of the Stockton Unified School District have reviewed this Official Statement and have determined that as of the date hereof the information contained herein is, to the best of their knowledge and belief, true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The Stockton Unified School District will deliver to the purchaser of the Bonds a certificate as to the above, dated the date of Bond delivery and further certifying that the signatories know of no material adverse change in the condition of the District which would make it unreasonable for the purchaser of the Bonds to rely upon the Official Statement in connection with the resale of the Bonds, and authorizing the purchaser of the Bonds to distribute copies of the Official Statement in connection with the resale of the Bonds. 150 copies of the Official Statement will be supplied to the purchaser of the Bonds for this purpose.

The opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, Bond Counsel to the District, will be furnished to the successful bidder (see the section entitled "Legal Opinion" herein). The scope of Bond Counsel's employment in connection with the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions set forth herein under the sections titled "The Bonds."

Dated May 25, 1976

STOCKTON UNIFIED SCHOOL DISTRICT

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## INTRODUCTION

The \$4,500,000 principal amount of Stockton Unified School District 1973 School Bonds, Series B represents the second sale within a total authorization of \$10,500,000 approved by the voters at an election held in the District on April 17, 1973. Proceeds from the sale of these Bonds will be used as partial payment to finance replacement of pre-Field Act buildings at specific elementary school sites as approved by the voters.

The District, providing elementary and secondary school educational services to approximately 147,800 residents in an area containing 50 square miles, has operated as a unified school district under the laws of the State of California since formation on July 1, 1936. Located in the heart of California's fertile San Joaquin Valley, the District is approximately 78 miles east of San Francisco. The City of Stockton comprises approximately 60 percent of the District's land area and 83 percent of its assessed valuation.

Stockton's economy remains closely tied to agriculture and food processing by virtue of its location in the intensively cultivated San Joaquin Valley, but a substantial industrial base has developed over the past two decades in areas not associated with agriculture. Industry has located in the vicinity of Stockton to take advantage of the excellent transportation facilities, available industrial sites and labor force, and has tended to stabilize and diversify the economy. The area is served by three of the nation's major rail carriers, and highways 50, 99 and Interstate 5. Another valuable transportation asset is the Port of Stockton, California's first inland deepwater port, connected to San Francisco Bay by the Stockton Ship Channel. Stockton is expanding its Main Water Quality Control Plant to provide tertiary treatment for wastewater, the project to be completed in 1977. In 1976/77, Stockton has budgeted \$9,668,000 for improving the sewer collection system.

There are over 300 industrial plants in the Stockton Metropolitan Area, producing a wide range of products to complement the traditional food packing activities long associated with the area. Other leading items are stone, clay, and glass products, wood products, fabricated metal items, paper products, machinery, transportation equipment, asbestos-cement pipe, rubber products, boats, agricultural implements, and chemicals. The newest major industrial establishment in the area is the \$4.7 million meat processing plant of Safeway Stores, opened two years ago.

Large industrial firms within the District include: Fibreboard Corporation, employing approximately 560 in recycling paper board products; American Forest Products Corporation, makers of boxes, shooks, doors, furniture and lumber; Diamond Sunsweet, Inc., the only walnut processing plant in the United States; Tillie Lewis Foods, Inc., a subsidiary of Ogden Corporation; James Allan and Sons, a meat packer employing 300-400 persons; California Cedar Products Company; and Stockton Elevators. The John Deere Parts Depot, a parts distribution warehouse, has been built in the Western Pacific Industrial Tract in the southern part of the District.

Over the past five years, the District's assessed valuation increased approximately 34.0 percent and assessed valuations per unit of average daily attendance increased approximately 51.2 percent. In 1975/76, the revenue limit per unit of average daily attendance is \$1,031.63 and the general fund tax rate is \$4.9640 per \$100 assessed valuation. The District's total tax rate over the past five years has ranged from a high of \$6.9510 in 1972/73 to a low of \$5.4378 in 1973/74. Secured tax delinquencies over the five-year period 1970/71 through 1974/75 averaged 1.95 percent.

Upon delivery of the 1973 School Bonds, Series B currently being offered for sale, the District's direct debt will be \$13,586,000 or 3.59 percent of assessed valuation and .86 percent of estimated real value. Net direct and estimated overlapping debt will be 13.36 percent and 3.22 percent of assessed valuation and estimated real value respectively (see "Direct and Estimated Overlapping Bonded Debt," page 16).



## THE BONDS

### AUTHORITY FOR ISSUANCE

The \$4,500,000 principal amount of Stockton Unified School District 1973 School Bonds, Series B now being offered for sale are general obligations to be issued: under provisions of Part 3, Division 11, Chapter 2, Article 5 of the State of California Education Code and Article XVI, Section 18, of the State of California Constitution; and, pursuant to a resolution of the Board of Supervisors of San Joaquin County adopted on May 18, 1976.

The Bonds represent the second series of a total authorization of \$10,500,000 approved by a majority of the district voters at an election on April 17, 1973. Series A bonds in the amount of \$6,000,000 dated February 15, 1974 have previously been issued. The sale of the \$4,500,000 1973 School Bonds, Series B will complete the \$10,500,000 authorization.

### TERMS OF SALE

Bids will be received by the Board of Supervisors of San Joaquin County at 11:00 A.M. on Tuesday, June 15, 1976 at the office of the County Clerk and ex-officio Clerk of the Board of Supervisors in the Courthouse, Stockton, California. The Bonds will be sold pursuant to the terms of sale contained in the Official Notice of Sale dated May 18, 1976.

### DESCRIPTION OF THE BONDS

The \$4,500,000 principal amount of 1973 School Bonds, Series B will be dated June 15, 1976 and will be issued in denominations of \$5,000 each. The Bonds will be numbered B1 to B900 inclusive and will be payable annually on June 15 of each year as shown in the following maturity schedule:

Maturity Date June 15	Principal Maturing	Maturity Date June 15	Principal Maturing
1977	\$225,000	1987	\$225,000
1978	225,000	1988	225,000
1979	225,000	1989	225,000
1980	225,000	1990	225,000
1981	225,000	1991	225,000
1982	225,000	1992	225,000
1983	225,000	1993	225,000
1984	225,000	1994	225,000
1985	225,000	1995	225,000
1986	225,000	1996	225,000

Interest on the Bonds at a rate not to exceed seven percent per annum is payable for the first year on June 15, 1977 and semiannually thereafter on December 15 and June 15.

### PAYMENT

Both principal and interest are payable in lawful money of the United States at the office of the Treasurer of San Joaquin County, State of California.



## REDEMPTION PROVISIONS

Bonds are not subject to call and redemption prior to their fixed maturity dates.

## REGISTRATION

The Bonds will be coupon bonds, registrable only as to both principal and interest, and not subject to deregistration.

## PURPOSE OF ISSUE

Proceeds from the sale of the \$4,500,000 principal amount of the 1973 School Bonds, Series B will be used to finance replacement of school buildings pursuant to the Field Act as described in greater detail in the "Improvement Program" section of this Official Statement.

## LEGAL OPINION

The legal opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel to the District, approving the validity of the 1973 School Bonds, Series B, will be furnished to the purchasers without charge at the time of the original delivery of the 1973 School Bonds, Series B. A copy of the legal opinion will be printed on each bond. See the concluding paragraph of the "To Whom It May Concern" section of this Official Statement regarding the scope of bond counsel's review of this Official Statement.

## TAX EXEMPT STATUS

In the opinion of bond counsel, the interest on the Bonds is exempt from all present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions; and the Bonds are exempt from all California taxes except inheritance, gift, and franchise taxes.

## LEGALITY FOR INVESTMENT

In the opinion of bond counsel, the Bonds are legal investments in California for commercial banks and for other funds which may be invested in bonds which are legal investments for commercial banks and are eligible as security for deposit of public moneys in California.

## SECURITY

The Bonds are general obligations of the Stockton Unified School District, and the Board of Supervisors of San Joaquin County has the power and is obligated to levy ad valorem taxes for payment of the Bonds and the interest thereon upon all property within the District, subject to taxation by the District (except certain personal property which is taxable at limited rates), without limitation of rate or amount.

## NO LITIGATION

At the time of payment for and delivery of said Bonds, the successful bidder will be furnished with a certificate that there is no litigation pending affecting the validity of the Bonds.



## ESTIMATED DEBT SERVICE

Table 1 presents a schedule of estimated annual debt service for the Bonds currently being offered for sale and debt service on prior District bonds. Interest on the Bonds, as shown in Table 1, is approximated at 5.75 percent.



Table 1  
STOCKTON UNIFIED SCHOOL DISTRICT  
Estimated Annual Debt Service  
\$4,500,000 1973 School Bonds, Series B

\$4,500,000 1973 School Bonds, Series B							
Fiscal Year	Principal Outstanding July 1	Interest Estimated @ 5-3/4 % Payable December 15	Interest Estimated @ 5-3/4 % Payable June 15	Principal Maturing June 15	Annual Bond Service	Prior Bond Service (1)	Estimated Total Bond Service
1976/77	\$4,500,000	\$	\$ 258,750.00	\$ 225,000	\$ 483,750.00	\$ 1,173,631.25	\$ 1,657,381.25
1977/78	4,275,000	122,906.25	122,906.25	225,000	470,812.50	1,138,303.75	1,609,116.25
1978/79	4,050,000	116,437.50	116,437.50	225,000	457,875.00	1,102,842.50	1,560,717.50
1979/80	3,825,000	109,968.75	109,968.75	225,000	444,937.50	1,067,247.50	1,512,185.00
1980/81	3,600,000	103,500.00	103,500.00	225,000	432,000.00	1,035,412.50	1,467,412.50
1981/82	3,375,000	97,031.25	97,031.25	225,000	419,062.50	813,537.50	1,232,600.00
1982/83	3,150,000	90,562.50	90,562.50	225,000	406,125.00	783,512.50	1,189,637.50
1983/84	2,925,000	84,093.75	84,093.75	225,000	393,187.50	640,087.50	1,033,275.00
1984/85	2,700,000	77,625.00	77,625.00	225,000	380,250.00	621,002.50	1,001,252.50
1985/86	2,475,000	71,156.25	71,156.25	225,000	367,312.50	524,695.00	892,007.50
1986/87	2,250,000	64,687.50	64,687.50	225,000	354,375.00	508,830.00	863,205.00
1987/88	2,025,000	58,218.75	58,218.75	225,000	341,437.50	388,200.00	729,637.50
1988/89	1,800,000	51,750.00	51,750.00	225,000	328,500.00	373,950.00	702,450.00
1989/90	1,575,000	45,281.25	45,281.25	225,000	315,562.50	359,550.00	675,112.50
1990/91	1,350,000	38,812.50	38,812.50	225,000	302,625.00	344,850.00	647,475.00
1991/92	1,125,000	32,343.75	32,343.75	225,000	289,687.50	330,150.00	619,837.50
1992/93	900,000	25,875.00	25,875.00	225,000	276,750.00	315,150.00	591,900.00
1993/94	675,000	19,406.25	19,406.25	225,000	263,812.50	300,150.00	563,962.50
1994/95	450,000	12,937.50	12,937.50	225,000	250,875.00	---	250,875.00
1995/96	225,000	6,468.75	6,468.75	225,000	237,937.50	---	237,937.50
Total		\$1,229,062.50	\$1,487,812.50	\$4,500,000	\$7,216,875.00	\$11,821,102.50	\$19,037,977.50

(1) Source: San Joaquin County Auditor-Controller.



## IMPROVEMENT PROGRAM

The State of California Field Act sets structural standards for determining the safety of schools in the event of an earthquake. The Stockton Unified School District's construction plan includes the replacement of pre-Field Act buildings built prior to 1933, which do not comply with these standards. These buildings are unsafe for school use and must be replaced or abandoned prior to June 30, 1977 under provisions of Part 3, Division 11, Chapter 2, Article 5 of the State of California Education Code and Assembly Bill 451, Chapter 60 California Statutes 1975.

At an election held on April 17, 1973, voters of the District authorized \$10,500,000 of general obligation bonds to provide funds for replacement of pre-Field Act buildings on school sites in accordance with a plan on file in the District office. A proposed assignment of pupils to the rebuilt schools was included as a part of the plan.

Prior to the bond election, in September of 1971, a class action was commenced in the Superior Court of San Joaquin County on behalf of individuals seeking relief from the alleged disadvantages of a dual system of education within the schools of the Stockton Unified School District. During the trial, held in the Superior Court from February 4, 1974 to May 30, 1974, counsel for Plaintiffs moved to enjoin the construction or reconstruction of schools arguing that the pupil assignment plan on file was a further evidence of the design of the District to perpetuate desegregation. On June 28, 1974 the trial Judge signed a Preliminary Injunction granting the motion of the Plaintiffs to halt all construction in progress. In the Memorandum of Decision issued October 4, 1974, the Court found for the Plaintiffs.

On April 17, 1975, the Court issued the Writ of Mandate that schools of the District must be desegregated and that a plan of desegregation acceptable to the Court must be filed. On December 16, 1975, the Board of Education adopted Resolution #1356, and an attached building plan which vacated the pupil assignment plan and directed the school officers and employees to proceed with the construction and reconstruction of schools within the constraints of the Injunction. On January 13, 1976, counsel for Plaintiffs brought an action for hearing on the District's compliance with the Injunction. On February 9, 1976, the Court issued an order denying the Plaintiff's Motion for Order of Compliance, the Court being satisfied that the resumption of the construction program was fully within the guidelines established in the Injunction.

Proceeds from the sale of the \$4,500,000 principal amount 1973 School Bonds, Series B, and the remaining proceeds from the \$6,000,000 principal amount 1973 School Bonds, Series A, will be used as partial payment for the replacement of buildings at specific elementary school sites as approved by the voters. This includes replacement of five elementary schools and additions to three elementary schools.



The estimated total budget and funding sources that include bond proceeds for the elementary school construction program, are shown in the tabulation below.

Program Costs		
Construction Budget	\$14,790,069	\$14,790,069
Sources of Funds		
State Loans <sup>(1)</sup>	\$ 5,516,955	
Earthquake Safety Tax <sup>(2)</sup>	7,000	
Available District Funds	425,000	
Unexpended Funds 1973 School Bonds, Series A <sup>(3)</sup>	5,785,328	
Proceeds from 1973 School Bonds Series B <sup>(4)</sup>	<u>3,055,786</u>	
Total Funds		\$14,790,069

(1) To be included in the General Fund tax rate. State loan repayments will be made in twenty equal annual installments from the proceeds of a permissive tax levy. (California Education Code 19700.74)

(2) Included in the General Fund tax rate (California Education Code 15518).

(3) To date the District has expended \$214,672 of proceeds from the prior sale of \$6,000,000 of 1973 School Bonds, Series A.

(4) The remaining proceeds from sale of the \$4,500,000 1973 School Bonds, Series B, in the amount of \$1,444,214 will be applied to pre-Field Act elementary school projects as approved by the voters on April 17, 1973.

## DISTRICT ORGANIZATION AND FINANCIAL DATA

### ORGANIZATION

Stockton Unified School District operates public schools in the central sector of San Joaquin County. The District provides elementary and secondary school educational services to approximately 147,800 residents. Approximately 60 percent of the District's 50 square miles are within the City of Stockton.

The District has operated as a Unified School District under the laws of the State of California continuously since July 1, 1936. The District is governed by an independent Board of Education of seven members. The members are elected by, and required to be residents of, specified geographical areas for overlapping four-year terms. The District's affairs are administered by the Superintendent, who is appointed by the Board of Education. Dr. William C. Carey has served the District as Superintendent since 1974. Dr. Carey has been engaged in the field of Education for 15 years.

### FACILITIES AND ATTENDANCE

District facilities include four children's centers, thirty-one elementary schools, five junior high schools, three senior high schools, three alternative high schools and a continuation high school. These facilities are staffed by 96 administrative, 1,320 certificated and 601 classified full-time employees, plus 930 part-time personnel. The 1975/76 General Fund budget is \$47,127,006. Budget information for the past five years can be found in Table 8. The District's actual student enrollment as of September 26, 1975 totaled 29,233.

Table 2 shows District assessed valuations, average daily attendance, and assessed valuation per student in average daily attendance over the past five years. During this period, the District's assessed valuation increased approximately 34.0 percent and assessed valuations per unit of average daily attendance increased approximately 51.2 percent. Average daily attendance over the past five years has decreased 11.4 percent from 31,717 in 1971/72 to an estimated 28,100 in 1975/76.

Table 2  
STOCKTON UNIFIED SCHOOL DISTRICT  
Assessed Valuation and Enrollment Growth

Year	Assessed Valuation (1)	Average Daily Attendance	Assessed Valuation Per Unit of Average Daily Attendance
1971/72	\$282,521,706	31,717	\$ 8,908
1972/73	289,964,904	30,818	9,409
1973/74	299,640,315	29,505	10,156
1974/75	335,889,567	28,989	11,587
1975/76	378,506,085 (2)	28,100 (3)	13,470

(1) Includes State reimbursed exemptions.

(2) Excludes Stockton Redevelopment Agency incremental assessed valuation of \$3,645,969.

(3) Estimated during the period September 1975 through June 1976.

Source: San Joaquin County Auditor-Controller (Assessed Valuations) and Stockton Unified School District (Average Daily Attendance).



## ASSESSED VALUATIONS

The San Joaquin County Assessor assesses District property for tax purposes. The State Board of Equalization reports the 1975/76 San Joaquin County valuations average 24.0 percent of full market value, except for public utility property, which is assessed by the State Board of Equalization at 25 percent of full market value.

Under California State Law, two types of exemptions of property from ad valorem taxes became effective in the 1969/70 fiscal year. One exempts 50 percent of the value of business inventories from ad valorem taxes. The other provides for an exemption of \$1,750 of the assessed valuation of an owner-occupied dwelling if the owner files for the exemption. Under a recently enacted Constitutional Amendment, the California Legislature can raise this exemption. Revenue estimated to be lost to each taxing entity as a result of such exemptions is reimbursed to the taxing entity from state funds. The reimbursement is based upon total taxes which would be due on the assessed valuation of the property qualifying for these exemptions, without allowance for delinquencies. Table 3 presents the District's 1975/76 assessed valuation by tax roll, before and after these two exemptions.

Table 3  
STOCKTON UNIFIED SCHOOL DISTRICT  
1975/76 Assessed Valuation (1)

	Taxable Assessed Valuation	Homeowners and Business Inventory Exemptions	Assessed Valuation for Revenue Purposes
Secured	\$240,985,983	\$58,678,635	\$299,664,618
Utility	24,267,470	---	24,267,470
Unsecured	36,994,087	17,579,910	54,573,997
Total	\$302,247,540	\$76,258,545	\$378,506,085

(1) Excludes Stockton Redevelopment Agency incremental assessed valuation in amounts of : secured \$2,926,863; unsecured \$5,525; Homeowners and Business Inventory Exemptions secured \$686,152, unsecured \$27,429.

Source: San Joaquin County Auditor-Controller.

## REVENUE LIMITATIONS

Since 1973/74, California school districts have operated under general purpose property tax revenue limitations established in legislation adopted in 1973. This legislation, however, does not impose a maximum property tax rate for the purpose of meeting general obligation bond service payments. The Board of Supervisors of San Joaquin County is required to levy ad valorem taxes without limit as to rate or amount to meet general obligation debt service of the District.

Since 1973/74 allowable annual tax rates to be applied to a district's assessed valuation have been derived from a statutory formula which takes into account a number of factors including adjustments for inflation, limited mandatory contributions to the Teacher's Retirement System, basic state aid, state equalization aid, changes in average daily attendance, and prior year's tax collections. The tax required to raise the general purpose monies is the district's maximum general purpose tax rate.

In 1974/75, the revenue limit per unit of average daily attendance was \$954.97 and the general fund tax rate was \$4.8392 per \$100 assessed valuation.

In 1975/76, the revenue limit per unit of average daily attendance is \$1,031.63 and the general fund tax rate is \$4.9640 per \$100 assessed valuation.

#### TAX RATES

The 1975/76 District total tax rate per \$100 assessed valuation is \$5.5203. The tabulation below shows a distribution of the 1975/76 tax rate by purposes.

#### STOCKTON UNIFIED SCHOOL DISTRICT 1975/76 Tax Rate Distribution by Purpose

Purpose	Rate
General Fund (1)	\$4.9640
Bond Interest and Redemption Fund	.2825
Child Development Fund	.1318
Development Center Fund	.0292
Regional Occupational Center Fund	.1128
<b>Total Tax Rate</b>	<b>\$5.5203</b>

(1) Includes current operations, community services, meals for needy pupils, public school building loan repayment, state school building loan repayment, earthquake safety and Regional Occupational Center loan.

Source: County Auditor-Controller.

Table 4 shows the Stockton Unified School District Tax Rate for the past five year period. The District's total tax rate during this period ranged from \$6.9510 to \$5.4378 per \$100 assessed valuation.

Table 4  
STOCKTON UNIFIED SCHOOL DISTRICT  
Property Tax Rates per \$100 Assessed Valuation (1)

	1971/72	1972/73	1973/74	1974/75	1975/76
General Fund	\$5.2074	\$6.4593	\$4.8577	\$4.8392	\$4.9640
Bond Interest & Redemption Fund	.4359	.4107	.3868	.5638	.2825
Other Funds	.0456	.0810	.1933	.1579	.2738
<b>Total</b>	<b>\$5.6889</b>	<b>\$6.9510</b>	<b>\$5.4378</b>	<b>\$5.5609</b>	<b>\$5.5203</b>

(1) Secured role.

Source: District audit reports for individual years and data furnished by District.

There are 168 Tax Code Areas in the District. In the 1975/76 tax year, total tax rates within these code areas ranged from \$10.9338 to \$15.0728 per \$100 assessed valuation. Tax Code Area 003-000, located within the City of Stockton, is the largest area by assessed valuation in the District, with a 1975/76 secured assessed valuation of \$84,550,179. All 1975/76 tax rates in Code Area 003-000 are listed in Table 5.

A listing of major taxpayers in the District and their 1975/76 assessed valuations is presented in Table 6.



Table 5  
STOCKTON UNIFIED SCHOOL DISTRICT  
Tax Code Area 003-000  
1975/76 Total Tax Rates per \$100 Assessed Valuation

Tax Agency	Rate
San Joaquin County	\$ 3.8184
Stockton Unified School District	5.5203
San Joaquin Delta College	.6680
School Equalization Aid	.1083
Miscellaneous Education	.1303
San Joaquin Local Health	.1888
Flood Control Administration	.0200
San Joaquin Mosquito Abatement	.0800
Stockton Metropolitan Transit	.1000
City of Stockton	2.2436
Tax Rate All Property	\$12.8777
Land Only	.2500
Land and Improvements Only	.0680
All Tax Rates	\$13.1957

Source: San Joaquin County Auditor-Controller.

Table 6  
STOCKTON UNIFIED SCHOOL DISTRICT  
Major Taxpayers

Taxpayer	Product/Service	1975/76 Assessed Valuation
Tillie Lewis (Under following names:)		
Flotill Products Inc.		
Tillie Lewis Foods Inc.		
Wilson Foods c/o T. Lewis Foods	Canned fruits & vegetables	\$9,643,947
Diamond Walnut Growers Inc.	Walnut & dried fruit processing	6,621,521
Fibreboard Corp.		
Fibreboard Products Inc.	Paperboard recycling	4,587,828
Weberstown Shopping Center	Regional shopping center	4,012,180
California Water Service	Water distributor	3,693,916
Del Monte Corp.		
Del Monte de Puerto Rico	Food processing	3,282,749
James Allan & Sons Corp.	Meat packing	3,108,009
California Cannery & Growers	Canned fruits & vegetables	2,521,839
Stockton Box Co.		
Stockton Box Co. A Corp.		
Stockton Box Factory	Wooden Boxes, shooks	1,779,392
Pension Benefit Fund, Inc.	Meat packing	1,540,250
San Joaquin First Federal Savings & Loan	Savings institution	1,343,728
California Cedar Projects Co.	Pencil slats, fireplace logs	1,240,062
Oakwood Investors	Apartment complex	1,002,975
Stockton Elevators Co.	Grain storage	819,440

Source: San Joaquin County Assessor's Office.

TAX LEVIES, COLLECTIONS,  
AND DELINQUENCIES

District ad valorem taxes are collected by the San Joaquin County Tax Collector at the same time and on the same rolls as county and city taxes. Secured taxes are due in two installments on November 1 and March 1 and become delinquent on December 10 and April 10, respectively. Unsecured taxes are payable on March 1 and become delinquent the following August 31. Table 7 shows the District's five-year history of secured tax levies, current year tax delinquency, and total collections.

Table 7  
STOCKTON UNIFIED SCHOOL DISTRICT  
Secured Tax Levies and Tax Delinquency

Fiscal Year	Secured Tax Levy	Amount Collected (June 30)	Percent Delinquent (June 30)	Total Collections June 30 (1)	Percent Collected
1970/71	\$13,506,589	\$13,241,028	1.97%	\$13,423,650	99.39%
1971/72	13,063,167	12,909,715	1.18	13,085,739	100.17
1972/73	16,188,076	15,855,290	2.06	16,124,911	99.61
1973/74	11,840,462 <sup>(2)</sup>	11,589,293	2.12	11,885,990	100.38
1974/75	13,243,963	12,920,090	2.45	13,152,019	99.31

(1) Includes prior years' secured tax collections, interest and penalties.

(2) Reimbursable homeowner's exemption increased to \$1,750 from \$750 resulting in a lower taxable assessed valuation.

Source: San Joaquin County Auditor-Controller.

FUND BALANCES

The tabulation below presents the surplus balances in all District funds as of June 30 for the past three fiscal years.

STOCKTON UNIFIED SCHOOL DISTRICT  
Fund Balances as of June 30

	1973	1974	1975
General Fund	\$1,570,018	\$1,934,651	\$1,722,864
Cafeteria Fund	245,718	296,717	395,919
Capital Project Funds:			
Building Fund	837,541	3,960,031	8,628,310
Children's Center Construction Fund	168,200	186,861	164,914
State School Building Fund	874,135	3,589,453	3,125,146
Special Reserve Fund	1,183,652	671,891	425,624
Insurance Deductible Fund	201,554	266,844	288,568
Child Development Fund	88,381	153,655	158,162
Development Center for Handicapped			
Minors Fund	4,882	34,617	22,223
Special Deposit and Trust Balance	117,044	135,873	167,355
Student Body Association Fund	32,165	31,654	2,000
Bond Interest and Redemption Fund	325,917	404,147	1,000,002

Source: District Audit Reports for individual years.



## REVENUES AND EXPENDITURES

Table 8 presents a five-year summary of general fund revenues and expenditures of the Stockton Unified School District as reported in annual audits and financial reports of the District. Also included in Table 8 is the summary of the Revised Budget for the past five years and variation of these Revised Budgets to actual expenditures and the adopted general fund budget.

## EMPLOYER-EMPLOYEE RELATIONS

Certificated personnel of the Stockton Unified School District may be members of several recognized professional organizations of which the American Federation of Teachers and the Stockton Teachers' Association (California Teachers Association Affiliate) are the largest. Classified employees may also be members of professional organizations of which the California School Employee's Association (CSEA) is the largest.

The District is currently negotiating new employment contracts with all personnel, a process which is generally concluded by August of each year. The 1976/77 Budget is to be adopted by the Board of Education on or before August 10, 1976. During the month of May, 1975, Stockton Unified School District experienced a two-day work stoppage which was resolved by an impartial fact-finding committee.

Effective July 1, 1976, provisions of the Rodda Act codified as chapter 961 of the 1975 Statutes will affect all school districts in California. Under the Rodda Act, school employees have no right to strike. In case of labor disputes, local grievance procedures may be operative (if established by contract), or both parties may agree to submit grievances to final and binding arbitration pursuant to rules adopted by the Educational Employment Relations Board, which administers the Act. Arbitration may be enforced through the local Superior Court under Section 1280, Code of Civil Procedure. The Act's provisions with respect to the rights, obligations, and unfair practices applicable to management and labor became effective April 1, 1976. A "good faith" provision requires that contract negotiations begin sufficiently in advance of the final budget adoption date so that an agreement can be reached or an impasse resolved before adoption of the final budget.

TABLE 8  
STOCKTON UNIFIED SCHOOL DISTRICT  
Summary of General Fund Revenues and Expenditures

	Fiscal Year:	1970/71	1971/72	1972/73	1973/74	1974/75	Adopted Budget 1975/76
Beginning Balance July 1		\$ 3,151,425	\$ 3,664,008	\$ 1,849,956	\$ 1,570,018	\$ 1,934,651	\$ 1,722,864
Adjustment to Beginning Balance		77,963	17,037	16,931	155,979	83,659	
Net Beginning Balance		\$ 3,229,388	\$ 3,681,045	\$ 1,866,887	\$ 1,725,997	\$ 2,018,310	\$ 1,722,864
<b>INCOME:</b>							
Federal Sources		\$ 3,565,688	\$ 4,025,627	\$ 4,285,325	\$ 3,355,622	\$ 3,726,346	\$ 6,888,283
State Sources		13,779,790	12,942,106	13,313,320	20,266,561	20,809,367	20,851,574
County Sources		39,683	85,358	279,255	652,536	683,826	770,526
Local Sources		13,773,419	13,871,334	16,733,072	13,493,820	13,528,937	15,335,047
Incoming Transfers		61,331	73,831		755,070	1,258,354	1,558,712
Total Income		\$31,219,911	\$30,998,256	\$34,610,972	\$38,523,609	\$40,006,830	\$45,404,142
<b>EXPENDITURES<sup>(1)</sup></b>							
Certificated Salaries						\$23,052,192	\$25,233,929
Classified Salaries						7,125,155	8,346,438
Employee Benefits						4,187,396	4,958,101
Books, Supplies, Equipment Replacement						2,288,241	3,100,910
Contracted Services						2,350,782	2,557,729
Administration		\$ 708,179	\$ 735,805	\$ 712,834	\$ 932,341		
Instruction		22,565,100	23,344,486	23,648,710	27,217,218		
Health Services		45,948	47,313	49,594	50,007		
Pupil Transportation		435,099	465,719	457,692	529,359		
Operation of Plant		2,139,952	2,331,421	2,272,149	2,252,511		
Maintenance of Plant		1,015,391	1,005,749	1,111,284	1,108,447		
Fixed Charges		2,226,815	2,964,869	5,056,590	4,177,135		
Food Services		35,921	75,000	82,976	90,317		
Community Services		663,405	693,411	633,647	354,182		
Capital Outlay		637,459	382,571	364,060	391,611	391,971	335,887
Debt Service - Repayment State School Loans		40,295	56,839	57,170	225,848	231,458	234,645
Outgoing Transfers		271,727	726,162	461,135	985,979	675,081	740,738
Total Expenditures		\$30,785,291	\$32,829,345	\$34,907,841	\$38,314,955	\$40,302,276	\$45,508,377
Revised Budget Expenditures		\$35,655,242	\$36,211,272	\$38,255,417	\$41,250,753	\$41,268,946	
Variance to Actual Expenditures		4,869,951	3,381,927	3,347,576	2,935,798	966,670	
Ending Balances June 30		\$ 3,664,008	\$ 1,849,956	\$ 1,570,018	\$ 1,934,651	\$ 1,722,864	\$ 1,618,629

(1) Beginning in 1974/75 all school districts in the State of California are required to follow accounting and financial reporting procedures in accordance with revenue source categories and classification object code prescribed by the California State Accounting Manual. Certain expenditure items in 1974/75 cannot, therefore, become directly compared with prior years.

Source: District audit reports for individual years and data furnished by District.



## PENSION PLANS

Certificated personnel are covered by the State Teachers' Retirement System (STRS), while classified personnel are enrolled in the State Public Employee's Retirement System (PERS). Under the latter plan, part-time personnel must work more than 50 percent of the work week to become eligible for retirement benefits. In fiscal 1974/75 the District's contribution to STRS was \$1,180,862 on certificated personnel salaries of \$23,052,192, and the contribution to the PERS plan was \$626,392 on classified personnel salaries of \$7,125,155 (District supplied).

Both systems are operated on a statewide basis. Records are maintained in such a way that information relating to vested benefits, unfunded vested benefits, and prior service costs are not available for the District.

The State Teachers' Retirement System (Section 13801 et seq. of the Education Code) is administered by the State of California with contributions from both employees and employers. The State of California also contributes \$135,000,000 annually until the year 2002; subject to annual legislative appropriation. This \$135,000,000 annual authorization will amortize by the year 2002 the unfunded liabilities incurred prior to 1972 (\$1,747,624,637).

The actuarial method used is a projected benefit cost method where level normal rates sufficient to fund benefits over the entire service life of members are computed. The contribution rates are established to fund current service and interest on the unfunded liabilities not being amortized by the state contribution (\$6,257,975,000). The System's financial statements are prepared on the accrual basis (Annual Financial Report State Teachers' Retirement System, 6/30/74).

As of June 30, 1975, the total unfunded liabilities of the State Teachers' Retirement System were: \$1,747,624,637 (State contribution which is being amortized by the \$135,000,000 annual contribution) and \$6,257,975,000 (member contribution on which interest is being amortized). This unfunded total liability is \$8,005,599,637 (Annual Financial Report, State Teachers' Retirement System, 6/30/75). In 1972, legislation (AB 543) was passed to put the System on a fully funded basis over a period of thirty years. The State Teachers' Retirement System reports that further changes in the contribution rates are now under study.

The Teachers' Retirement System's actuary is Milliman and Robertson, Inc. of Seattle, Washington. The System's Investment Counsel for equities is B A Investment Management Company, San Francisco, California. The System's auditor is Coopers and Lybrand, Sacramento, California.

Public Employees' Retirement System (Section 20,000 et seq. of the Government Code) includes state and other public employers and employees. The Public Employees' Retirement System funding is by each member and each state and public agency employer through member and employer contribution. The State of California makes an annual contribution of approximately \$265,000,000. This amount fluctuates yearly depending upon among other things the number of members and their respective salary schedules. The combined assets and prospective contribution of both member and employer at the established rates are expected to effect funding of the Public Employees' Retirement System's current and prospective liabilities (Annual Financial Report, Public Employees' Retirement System, 6/30/74).

The unfunded liabilities as of the June 30, 1974 Financial Report were \$4,907,998,387 composed of approximately \$2,800,000,000 of unfunded state liabilities and approximately \$2,100,000,000 of unfunded agency member liabilities. The legislature increased contribution rates as of July 3, 1975. The legislative action (Government Code 20741) will allow for further increases to maintain the fund in sound actuarial condition (Government Code 20741). Present Public Employees' Retirement System policy is designed to satisfy the unfunded obligation by the year 2000 (Source: Retirement System).

The Public Employees' Retirement System's actuarial review is done internally. The System's Investment Counsel is Citicorp Investment Management, Inc. Coopers and Lybrand is the System's auditor.

#### DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT

The District's general obligation bonding capacity is equal to 10 percent of its assessed valuation after all exemptions except homeowners' and business inventory, as adjusted by the Collier Factor. The Collier Factor is a comparison of a county's assessment level with the statewide average ratio. The factor is used to offset differences in assessment levels for intercounty school districts and conforms assessment to the statewide average assessment level for all property. The District's bonding capacity as reported by the San Joaquin County Auditor-Controller is \$39,503,589. Upon delivery of the 1973 School Bonds, Series B currently being offered, the District's direct general obligation bonded debt will be \$13,586,000. Table 9 is a statement of direct and estimated overlapping bonded debt of the District as of June 15, 1976.

As of June 30, 1975 the District's State School Building Aid repayable amounted to \$3,528,341.

#### OTHER ESTIMATED INDEBTEDNESS

The District's preliminary applications for apportionment have been approved by the State for supplemental school building programs under the State School Building Aid Law of 1952 (Chapter 10, Division 14, Education Code). The District estimates that the total amount of state loans will be approximately \$15,800,000, including the \$5,516,955 of state loan referred to in the Improvement Program, page 6. The loan repayments, under provisions of Education Codes 19700.51 through 19700.79, will be made in twenty equal annual installments from the proceeds of a permissive tax levy.



Table 9  
STOCKTON UNIFIED SCHOOL DISTRICT  
Statement of Direct and Estimated Overlapping Bonded Debt<sup>(1)</sup>

Estimated Population	147,800
1975/76 Assessed Valuation	\$ 378,506,085 <sup>(2)</sup>
Estimated Real Value	\$1,573,064,000 <sup>(3)</sup>

Public Entity	Percent Applicable	Estimated Debt Applicable 6/15/76
San Joaquin Delta Jr. College District	32.865%	\$ 4,683,263
Stockton Metropolitan Transit District	78.462	400,156
Stockton Port District	83.564	2,093,278
City of Stockton	83.045	14,240,557 <sup>(4)</sup>
City Central Parking District	100.	4,123,000
City 1915 Act Assessment Bonds (est.)	Various	11,385,000
Stockton Water Services Facilities District	41.823	1,005,843
City of Stockton-Recreation Authority	83.045	1,146,021
Stockton Unified School District	100.	13,586,000 <sup>(5)</sup>
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$52,663,118
Less: Stockton Port Dist. (100% self-supporting)		2,093,278
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT		\$50,569,840

	Ratio to		
	Assessed Valuation	Real Value	Per Capita
Assessed Valuation	--	--	\$2,561
Direct Debt	3.59%	0.86%	92
Net Direct and Estimated Overlapping Bonded Debt	13.36%	3.22%	342

(1) Compiled in cooperation with California Municipal Statistics, Inc.

(2) The 1975/76 assessed valuation is before deduction of \$76,258,545 homeowners' and business inventory exemption, the taxes on which are paid by the State of California. Excludes Stockton Redevelopment Agency incremental assessed valuation of \$3,645,969.

(3) State Board of Equalization reports that 1975/76 San Joaquin County assessed valuation averaged 24.0% of full value. Public utility property (\$24,267,470) is assessed at 25% of full market value.

(4) Excludes \$3,505,000 redevelopment tax allocation bonds.

(5) Includes \$4,500,000 to be sold June 15, 1976.

## ECONOMY OF THE DISTRICT

The Stockton Unified School District is located in the heart of California's fertile San Joaquin Valley, about 78 miles east of San Francisco. Approximately 60 percent of the District's 50 square miles lie within the City of Stockton. The balance is composed of unincorporated lands lying east of Stockton. In view of the fact that approximately 83 percent of the District's assessed valuation is in Stockton, the discussion that follows is concerned primarily with the city and its economic impact upon surrounding areas, including that portion of the District outside the city limits.

### CITY OF STOCKTON

Originally incorporated in 1850, Stockton has become an important trading, shipping and industrial center. It is the county seat and largest city of San Joaquin County, and is the location of major state, federal and county administrative offices and installations.

Stockton's economy today remains closely tied to agriculture and food processing by virtue of its location in the intensively cultivated San Joaquin Valley, but a substantial industrial base has developed over the past two decades in areas not associated with agriculture. These firms have located in the vicinity of Stockton to take advantage of the excellent transportation facilities, available industrial sites and labor force, and have tended to stabilize and diversify the economy.

Both agriculture and industry benefit from the variety of transportation facilities available in Stockton. The city is served by three of the nation's major rail carriers, and is the junction of U.S. 50 and State Highway 99, two heavily traveled highways in the West. In addition, Interstate 5 passes through Stockton, and will ultimately extend from the Mexican border on the south to the Pacific Northwest. Probably the city's most valuable transportation asset is the Port of Stockton, California's first inland deepwater port, connected to San Francisco Bay by the Stockton Ship Channel.

The city also serves as the principal trading center for a population estimated at over 300,000 by the Greater Stockton Chamber of Commerce. Taxable retail sales in Stockton were approximately \$524 million during 1975, or about 51 percent of the total for San Joaquin County. By comparison, Stockton represents less than 39 percent of the total population of the county.

Stockton enjoys a temperate climate, with mean annual temperatures ranging from a high of 78.2 degrees in July to a low of 44.7 degrees in January. Rainfall averages approximately 14 inches per year, almost all between November and April. The elevation of the city is 23 feet above sea level. Surrounding land is nearly flat sloping gently from the Sierra Nevada foothills down to the low-lying San Joaquin Delta islands west of Stockton.

### POPULATION

During the last three decades, the development and growth of Stockton has been continuous and steady. As of April 1970, Stockton's population was 109,963, an increase of more than 27 percent over the 1960 Federal Census and a 55 percent increase over the 1950 Census. The present population of the city exceeds 117,000. As noted in the following tabulation, the rate of recent population growth in the city since 1960 has been at a higher level than the county as a whole, reflecting the increasing industrialization of the Stockton area.



## POPULATION DATA

Year	Stockton	Percent Increase	San Joaquin County	Percent Increase
1940	54,714	- %	134,207	- %
1950	70,853	29.5	200,750	49.6
1960	86,321	21.8	249,989	24.5
1970	109,963	27.4	291,073	16.4
1975	117,986	7.3	299,831	3.0

Source: U. S. Bureau of the Census, including a special census dated October 6, 1975.

The office of the San Joaquin County Superintendent of Schools estimates that the present population of the District is 147,800 persons.

### HOUSING

In the 1970 Census of Housing for the City of Stockton, nearly two-thirds of all housing units were single-family structures. Since that time, permits for approximately 9,900 housing units have been issued by the city. Over 57 percent of these new dwelling units have been multiple units.

In 1975 the average permit value of new single family homes in the city was \$39,970 exclusive of land, while the average new multiple unit was valued at \$21,495. The comparable countywide values were \$35,852 and \$20,821, respectively. In the first three months of 1976, the average permit value of single homes in the city had risen to \$43,523.

### EMPLOYMENT

In 1975 the resident labor force in the Stockton Labor Market Area (San Joaquin County) numbered 133,900 according to the State Department of Employment Development. Of this total, 120,900 were employed and 13,000 unemployed, for an unemployment rate of 9.7. This unemployment rate compares with 9.5 in 1973 and 8.5 in 1974. In March 1976, the seasonally adjusted unemployment rate was 10.1, and the unadjusted rate was 13.1

Employers in the county reported 14,600 farm jobs and 101,400 non agricultural wage and salary positions for 1975. In the non farm category, over one-fourth of all workers were on government payrolls, largely at the state and local level. A state building at 31 East Channel Street houses many state offices, including the Board of Equalization, General Services, Health, Industrial Relations, Motor Vehicles, Public Utilities Commission, and others. A county building on East Weber Avenue provides offices for numerous county officials and staff workers.

After government, the next most important sources of jobs in the Stockton Labor Market are trade, manufacturing, and the service occupations. Shown in the following tabulation are annual average employment levels for non farm wage and salary workers over the past four years in this labor market, and estimates for the most recent month available, as reported by state labor analysts.

STOCKTON LABOR MARKET AREA  
Nonagricultural Employment by Industry  
(000 omitted)

Industry	Annual Averages				March
	1972	1973	1974	1975	1976
Construction	4.1	3.9	4.1	3.9	3.6
Manufacturing-Durables	7.3	8.4	8.5	7.7	7.3
Manufacturing-Nondurables	10.6	10.9	11.3	11.8	10.0
Transportation, Utilities	6.8	7.3	7.7	7.7	7.4
Trade-Wholesale	4.5	5.1	5.4	5.7	5.4
Trade-Retail	15.6	16.4	16.5	16.6	16.5
Finance, Insurance, Real Estate	3.1	3.4	3.6	3.5	3.6
Services	15.7	16.6	17.9	18.5	18.3
Government-Federal	6.8	6.4	6.2	6.0	5.7
Government-State and Local	18.4	18.9	18.9	19.9	20.8
Other	.1	.1	.1	.1	.1
Total	93.0	97.4	100.2	101.4	98.7

Source: California Department of Employment Development.

Largest employers in the Stockton area are Stockton Unified School District, Sharpe Army Depot, and City of Stockton, each of whom employs over 1,000 persons. Public and private employers at Port of Stockton together also employ an estimated 1,000 persons. The various federal, state and county offices in Stockton are major employers, but an accurate count is not available. Following is a list of leading employers in and immediately adjacent to the District.

STOCKTON AREA LARGEST EMPLOYERS

Employer	Product/Service	Employment
Stockton Unified School District	Education	2,700
Sharpe Army Depot	Distrib. facility for 8 Western States & Alaska	1,400
City of Stockton	Municipal Government	1,200
Port of Stockton	Deepwater Port Terminal	1,000
Stockton State Hospital	Medical Care	960
Libbey-Owens Ford Glass Co.	Laminated Glass	850
Pacific Telephone Co.	Telephone Service	800
Tillie Lewis Foods, Inc.	Food Products	750-2,500*
Fibreboard Corp.	Recycled Paperboard Products	560
American Forest Products Corp.	Lumber & Millwork Products	535
Pacific Gas & Electric Co.	Utility Services	500
San Joaquin Delta College	Educational Facility	465
University of the Pacific	Educational Facility	400
General Services Administration	Federal Service Center	355
Caltrans (State Highway Dept.)	Headquarters Region 10	350
James Allan & Sons	Meat Processing	300-400
Johns-Mansville Products, Corp.	Plastic & Asbestos Cement Pipe	293
Stockton Record	Newspaper Publisher	240-300
Diamond Sunsweet, Inc.	Walnut, Pecan Processing	200-1,000*

\* Seasonal

Source: Original sources and Greater Stockton Chamber of Commerce.



## MILITARY INSTALLATIONS

Several major military installations are located in the Stockton area. As noted previously, one of the largest employers is the United States Army at Sharpe Army Depot, south of Stockton. One of the nation's most extensive military supply complexes, Sharpe Depot serves eight western states and Alaska. The facility also encompasses the largest National Guard installation in the United States, located adjacent to the nearby Stockton Metropolitan Airport.

The U.S. Naval Communications Station at Rough and Ready Island, immediately west of the Port of Stockton, is the largest naval communications center west of the Mississippi. In operation for over ten years, the Station hosts many federal agencies, including marine operations for Sharpe Depot. In addition to the military commitment on the Island, the General Services Administration employs over 350 civilian personnel in purchasing and supply.

The estimated total annual payroll of Stockton's military installations exceeds \$50,000,000, based on computations by the Greater Stockton Chamber of Commerce.

## INDUSTRY

There are over 300 industrial plants in the Stockton Metropolitan Area, producing a wide range of products to complement the traditional food packing activities long associated with the area. Other leading items are stone, clay, and glass products, wood products, fabricated metal items, paper products, machinery, transportation equipment, asbestos-cement pipe, rubber products, boats, agricultural implements, and chemicals.

An excellent transportation system, adequate water supplies, large tracts of land at reasonable prices, and Stockton's record of good labor relations over a long period of time have been the major factors leading to a selection of Stockton as the site of industrial establishments. There are 3,000 acres in the city limits zoned for M1-2 light and heavy industry. Included in this acreage total are 13 industrial parks or districts. Typical sales price for industrial land during 1975 and 1976 range from \$5,000 to \$12,500 per acre. To accommodate future growth, the city is expanding its Main Water Quality Control Plant to provide tertiary treatment for wastewater, the project to be completed in 1977. In the 1976/77 fiscal year, the city has budgeted \$9,668,000 for improving the sewer collection system.

The newest major industrial establishment in the city is the \$4.7 million meat processing plant of Safeway Stores, opened two years ago. The Stockton plant supplies bologna, weiners, and other processed meats to Safeway outlets in the 11 western states, Hawaii, and Alaska.

Some of the larger plants in the Stockton area include: Libbey-Owens-Ford Glass Company, employing 850 in the production of laminated glass; Fibreboard Corporation, employing approximately 560 in recycling paper board products; American Forest Products Corporation, makers of boxes, shooks, doors, furniture and lumber; Diamond Sunsweet, Inc., the only walnut processing plant in the United States; Johns-Manville Products Corporation, fabricators of plastic and asbestos-cement pipe; and Tillie Lewis Foods, Inc., a subsidiary of Ogden Corporation. Other major food packers are the Del Monte Corporation and California Canners and Growers.

All of the above except Libbey-Owens-Ford and Johns-Manville are located within the District. Other large industrial firms within the District are James Allan and Sons, a meat packer employing 300-400 persons, California Cedar Products Company, and Stockton Elevators. The John Deere Parts Depot, a parts distribution warehouse serving California, Baja California, Nevada, Arizona, and Hawaii, has been built in the Western Pacific Industrial Tract in the southern part of the District.

An important adjunct of the Port of Stockton is its 475 acre industrial park. Located 800 yards from dockside, the park is intended to attract marine-oriented industry. Major tenants include H.H. Robertson Company, P.M.S. of California, Pacific Molasses Company, City of Stockton, Learner Co., J.C. Penney Co., Atlantic Richfield, Sunland Oil Co., and Signal Oil and Gas Co.

## CONSTRUCTION

Building permit data are available only for the City of Stockton. In the first half of the seventies, and particularly in the past two years, the city has experienced increasing annual construction permit activity, at a time when such activity has generally been at low levels throughout the state. In both 1974 and 1975, building permit valuation exceeded \$72 million, with unusual strength apparent in residential valuation.

During the five years 1971/75, the city issued building permits valued at nearly \$275 million. About 65 percent of this total valuation consisted of residential construction, and 23 percent was new commercial and industrial construction.

Over this five-year period, residential permits were issued for 8,315 new dwelling units, of which 3,797 were single-family homes. As noted in the accompanying summary of building permit valuation by individual years, multiple units exceeded single family houses in each year over the five-year period.

In the first quarter of 1976, permits were valued at \$17.6 million, compared with \$7.4 million in the same quarter of 1975.

### CITY OF STOCKTON Building Permit Valuation (\$000 omitted)

	1971	1972	1973	1974	1975	1976 (3 mos.)
Residential	\$27,817	\$24,691	\$29,146	\$43,501	\$52,871	\$14,431
New Commercial	4,681	9,290	6,820	10,520	10,416	1,059
New Industrial	1,784	2,839	7,467	6,174	2,967	381
Other	<u>4,875</u>	<u>3,269</u>	<u>6,191</u>	<u>12,597</u>	<u>6,916</u>	<u>1,783</u>
Total Value	\$39,157	\$40,089	\$49,624	\$72,792	\$73,170	\$17,654
 No. of Housing Units:						
Single	733	671	685	915	793	237
Multiple	<u>1,192</u>	<u>719</u>	<u>733</u>	<u>999</u>	<u>875</u>	<u>183</u>
Total Units	1,925	1,390	1,418	1,914	1,668	420

Source: "California Construction Trends", Security Pacific Bank.

## COMMERCIAL ACTIVITY

The Federal Reserve Bank of San Francisco reports that bank debits in the Stockton Metropolitan Area (San Joaquin County) totaled \$2,277 million in the first quarter of 1976, compared with \$2,176 million in the first quarter of 1975.



Stockton's geographical location at the heart of a large population concentration, combined with its ready accessibility via freeways and arterial highways have created a trading atmosphere that has attracted major retail outlets and wholesalers.

Within the city there are a number of shopping centers in addition to the downtown area. In July of 1975, there were 1,269 retail establishments licensed to do business within the city. In addition, there were 1,102 wholesale and other outlets for a total of 2,371 business establishments. Among the larger retail outlets in Stockton are Breuner's, Macy's, Montgomery Ward, Sears Roebuck, Weinstock's, Roos/Atkins, J.C. Penney Co., and Brown-Mahin. There are two regional shopping centers in the city, covering approximately 93 acres. The various stores are connected by air-conditioned malls.

Over the past four years, taxable transactions in Stockton have increased at an average rate of more than 12 percent annually, as reflected in the following summary.

CITY OF STOCKTON  
Taxable Transactions  
(\$000 omitted)

Year	Retail Outlets		All Outlets	
	Permits	Transactions	Permits	Transactions
1971	1,203	\$256,565	2,227	\$324,932
1972	1,201	292,634	2,242	367,818
1973	1,226	326,590	2,286	415,047
1974	1,247	368,097	2,315	481,047
1975	1,269	404,895	2,371	523,984

Source: State Board of Equalization.

## REDEVELOPMENT

Over the past ten years the City of Stockton has acquired and cleared for redevelopment approximately 12 blocks in the downtown area. Known as West End I and West End II, the redeveloped area lies between the county administration building and the Yacht Harbor, at the eastern extremity of the Ship Channel. The city has completed its police headquarters facility in the area. As of January 1, 1976 the city's Community Development Department reports that it had acquired 165 parcels of land and planned to acquire 13 more parcels. The redevelopment area represents an investment of private capital estimated at \$21,820,000. The following principal facilities have been completed and are now operational.

Project	Investment
San Joaquin First Federal Savings & Loan	\$5,500,000
Filipino Center	2,770,000
Holiday Inn and Gulf Service Station	2,000,000
Police Station	2,000,000
Bank of America	1,850,000
Lee Center	1,660,000
All other	4,490,000

The above values represent estimated development costs, including land, as reported by the Community Development Department. Under construction at the present time are a \$1,000,000 building for Bank of Tokyo of California, and a \$550,000 structure for Santa Barbara Savings and Loan Association.

## AGRICULTURE

The lands of San Joaquin County are extremely fertile which, in combination with the warm climate, abundant water supplies and efficient marketing techniques, promote highly profitable agricultural production. During 1975, the total value of agricultural production was more than \$480 million, ranking the county among the nation's leading counties in total agricultural production.

Milk, tomatoes, and grapes are the principal crops. The county traditionally leads the nation in production of tomatoes and Tokay grapes. The Lodi district, approximately ten miles north of Stockton, is especially known for its grape and wine industry. Lodi is one of five wine districts in the United States which, by an act of Congress, may label its wine for marketing without reference to the state of origin.

Other principal crops include sugar beets, eggs, alfalfa, cherries, almonds and walnuts. Beef, dairy and poultry products also add significantly to the total production. A list of the county's ten leading crops in 1975 appears below.

The following tabulation summarizes agricultural production in San Joaquin County during the past five years, as reported by the County Department of Agriculture.

### SAN JOAQUIN COUNTY Value of Agricultural Production (000's omitted)

	1971	1972	1973	1974	1975
Fruit and nut crops	\$ 78,462	\$ 78,176	\$132,272	\$129,542	\$108,302
Field crops	\$ 65,051	71,288	97,523	133,035	138,934
Vegetable crops	59,603	70,661	64,781	92,529	99,098
Seed crops	2,856	2,828	5,523	10,424	8,036
Nursery products	2,740	2,451	4,344	8,704	10,455
Apiary products	402	445	495	456	655
Livestock and poultry products	49,424	55,379	75,008	88,878	92,833
Livestock and poultry	<u>14,549</u>	<u>19,893</u>	<u>26,233</u>	<u>15,929</u>	<u>22,228</u>
Total	\$273,087	\$301,121	\$406,179	\$479,497	\$480,541

### SAN JOAQUIN COUNTY Ten Leading Crops 1975

Crop	Gross Value	Crop	Gross Value
Milk	\$63,904,000	Corn	\$26,128,000
Tomatoes	62,315,000	Alfalfa	23,273,000
Grapes	34,264,700	Cherries	22,333,000
Sugar Beets	30,575,000	Almonds	19,510,000
Eggs	28,667,000	Walnuts	15,929,000

Source: County Department of Agriculture.

## TRANSPORTATION

The Stockton area is served by or adjacent to a variety of land, sea and air transport facilities. Three major transcontinental rail lines, Atchison, Topeka and Santa Fe, Southern Pacific and Western Pacific, as well as three feeder lines, provide rail service to the area. The Stockton Metropolitan Airport has an 8,650 foot runway which is capable of handling most commercial aircraft presently in service. United Air Lines, Pacific Southwest Airlines (PSA), and Hughes Air West provide regularly scheduled passenger and freight service through the modern air terminal, located adjacent to the southern city limits.

Continental Trailways and Greyhound Bus Lines provide inter-urban bus service, while Stockton Metropolitan Transit District schedules local service. Thirty-eight regularly scheduled truck lines and 90 contract carriers serve the city. State Highway 99, which serves the east side of the San Joaquin Valley, and U.S. 50, a main transcontinental highway, join at Stockton. Several state highways and county roads connect Stockton with other cities in the valley. One of the last segments of the Interstate 5 freeway was recently completed through Stockton. This freeway, still incomplete north of Stockton, is expected to become the principal north-south route on the Pacific Coast. It serves the west side of the San Joaquin Valley.

## PORT OF STOCKTON

The Port of Stockton is operated as an independent public agency by the Stockton Port District. Formed in 1932, the Port is now a multi-million dollar inland seaport with 59 ship movements and over 700,000 revenue tons of cargo crossing its docks in the first half of fiscal 1975/76, representing increases of 31% and 15%, respectively, over the previous comparable period. Port facilities are located on an area of the San Joaquin River immediately west of the city's central business district, and are connected with San Francisco Bay by means of the Stockton deepwater ship channel. The channel is dredged and maintained by the U.S. Corps of Engineers to a minimum depth of 30 feet. The Port operating area and adjacent industrial park cover 484 acres, and provide a turning basin and docking space for up to 13 vessels at one time.

Port facilities at the marine terminal include nine berths for general cargo with 500,000 square feet of transit sheds at dockside, and 30 warehouses with 2.5 million square feet of Class A sprinklered storage. Part of the warehouse area is utilized for a cotton compress and bale storage. Extensive facilities and equipment are available to handle bulk cargos such as molasses (used as a food supplement for livestock), minerals, phosphate rock, petroleum products, milled rice and other grains. Facilities include a 5.5 million bushel grain terminal. Other important cargoes handled at the Port are logs, fabricated metals and pipe.

In December 1969, the Port District awarded a contract for the construction of a 10-acre fully integrated container terminal and LASH station. Completed in 1971, this facility has improved the Port's competitive position among West Coast seaports, particularly in the rapidly growing field of container shipping. Computerized traffic management, centered on a Sperry UNIVAC 90/30, is a unique service of the Port.

Cargo movement throughout the Port area is facilitated by 10 miles of paved streets and 14 miles of trackage of the Port-owned belt line railroad. Local roadways connect to the nearby major highway transportation routes, and the belt line connects with all three mainline railroads serving the area. Direct access to the Interstate 5 freeway is available via an interchange adjacent to the Port.

The Port is developing an industrial park on 475 acres of land immediately adjacent to the waterfront.



## UTILITIES

The District is served by the following public utilities:

Gas and electricity . . . . .	Pacific Gas & Electric Company
Telephone . . . . .	Pacific Telephone Company
Water . . . . .	California Water Service Company and the City of Stockton.

## EDUCATION

As already noted, the greater part of Stockton is served by the Stockton Unified School District. The northwestern portion of the city is served by the Lincoln Unified School District. In addition to the public primary and secondary educational services provided by these two school districts, Stockton has a Catholic high school and ten lower level parochial or private schools. A \$4 million Regional Occupational Center, owned and administered by the Stockton Unified School District, offers training for high school students and adults in 14 vocational fields.

Higher education is available at San Joaquin Delta Community College, Humphreys College, and the University of the Pacific, all located in Stockton. Delta College (as it is generally known) is a two-year institution supported by local taxes, and reported a 1975 enrollment of 13,435 students.

The University of the Pacific is a privately endowed coeducational, nonprofit, nonsectarian institution emphasizing liberal arts and professional programs. Established in 1851 as California Wesleyan College, the University was the first chartered institution of higher learning in California. It provided the West Coast with its first medical school in 1858, its first conservatory of music in 1878, and its first coeducational campus in 1871. The principal campus of the University occupies 165 acres on both sides of the Calaveras River in north central Stockton.

The University has nine undergraduate divisions, a Graduate School, and Schools of Law, Dentistry and Medical Sciences. The undergraduate divisions include: Raymond, Elbert Covell, and Callison, three small cluster liberal arts colleges; College of the Pacific, a larger liberal arts division offering nearly 40 majors; University College, and an unstructured liberal arts college offering individually designed, university-wide programs for part-time or returning students; a Conservatory of Music; and Schools of Education, Engineering and Pharmacy. The Graduate School offers programs through the departments of the College of the Pacific, the Schools of Education, Pharmacy and Medical Sciences, the Conservatory of Music and the Pacific Marine Station at Bodega Bay, north of San Francisco. McGeorge School of Law is located in Sacramento; the Schools of Dentistry and Medical Sciences, in San Francisco. A strong regional university, University of the Pacific attracts students from 50 states and 49 foreign countries. Total enrollment at the Stockton, San Francisco, and Sacramento campuses was 5,502 in the 1974/75 academic year.

## COMMUNITY FACILITIES

There are six general hospitals with 1,185 beds in the Stockton Metropolitan Area. In addition, the Stockton State Hospital, located in the center of the city, has 1,675 beds. More than 300 physicians/surgeons, 130 dentists, 30 optometrists, and 29 chiropractors practice in the community area.

Communications media in the City of Stockton include the Stockton Record, a daily newspaper, seven radio stations, five TV channels received direct, and a cable TV service. Metropolitan newspapers from San Francisco and Oakland are available daily.

Stockton has 11 banks operating 23 branches and 7 savings and loan associations with 5 branch offices. The city has 110 churches and 9 libraries. The \$1,750,000 Central Library serves not only Stockton but all of San Joaquin County.

The Stockton Civic Auditorium features many cultural and social events. Haggin Memorial Art Gallery and Pioneer Historical Museum displays many fine works of Oriental and European art along with items of early California and Indian lore.

The Central Valley Exposition in southeast Stockton hosts county fairs, horse shows, and related events.

Both the University of the Pacific and Delta College sponsor stage and screen attractions of wide public interest. Within less than two hours driving time are the many cultural advantages of the San Francisco-Oakland Metropolitan Area.

## RECREATION

The city maintains 29 parks and 24 playgrounds. Oak Park, in the northern part of the city, has softball diamonds, an array of tennis courts, an Olympic-size pool, and various playground and picnic equipment in a lawned and shaded atmosphere. An Olympic-size Ice Arena is open daily for public skating. There is also a senior citizens center in Oak Park. Pixie Woods, near the San Joaquin River, is a children's fairy land, featuring a 19th century mine train and a replica of an old-time paddlewheeler.

Stockton has two municipal golf courses, one 18 holes and the other 9. Elkhorn is a public 18-hole course. Private courses include the 18-hole Stockton Golf and Country Club and the 9-hole Oakmoore Golf Course.

Connecting Stockton and San Francisco Bay are a thousand miles of navigable fresh waterways for the use of boating enthusiasts, fishermen, and water skiers. There are numerous public and private marinas along the waterways.

Six miles north of Stockton is Micke Grove, a county park. In addition to the usual picnic and other facilities, Micke Grove has a Japanese garden and a zoo.

The University of the Pacific schedules major intercollegiate opponents in football, basketball, and other sports.

The outdoor recreational attractions of the Sierra Nevada, to the east, and the Pacific Ocean, on the west, can be reached in a few hours' driving time from the District.





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